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in the Social Security Act that authorizes borrowing on behalf of a deficient trust fund.

Under the low cost and high cost assumptions, as under the intermediate assumptions, expenditures from the DI Trust Fund would exceed income in each year of the short-range projection period. The assets of the DI Trust Fund would continue to decline steadily under either alternative and would be exhausted in 1995—early in the year under the high cost assumptions or late in the year under the low cost alternative.

Because DI assets fail to reach the level of 1 year's expenditures under the intermediate assumptions and would be insufficient to meet benefit payments when due in 1995 and later, the DI Trust Fund does not satisfy the Trustees' short-range test of financial adequacy. In view of the imminent depletion of the DI Trust Fund, it is imperative that the financial position of the DI program be strengthened in the very near future. As noted previously, the Board of Trustees has recommended to the Congress that tax rates be reallocated between the OASI and DI Trust Funds. As will be seen in the next subsection, such action would correct the short-range financing insufficiency for the DI Trust Fund without jeopardizing the short-range financial status of the OASI Trust Fund.

c. Combined OASI and DI Trust Fund Operations

The estimated operations and status of the OASI and DI Trust Funds, combined, during calendar years 1994-2003 on the basis of the three alternatives, are shown in table II.F3, together with figures on actual experience in 1993. These amounts are the sums of the corresponding figures shown in tables II.F1 and II.F2.

TABLE II.F3.—ESTIMATED OPERATIONS OF THE OASI AND DI TRUST FUNDS, COMBINED, BY ALTERNATIVE, CALENDAR YEARS 1993-2003

[Amounts in billions]

Calendar year	Income	Expenditures	Net increase in funds	Funds at end of year	Trust fund	
					Amount ¹	Ratio ²
1993	\$355.6	\$308.8	\$46.8	\$378.3	\$331.5	107
Intermediate:						
1994	377.4	324.8	52.6	430.9	378.3	116
1995 ⁴	402.1	342.5	59.6	490.5	430.9	126
1996 ⁴	425.7	361.1	64.6	555.1	5490.5	5136
1997 ⁴	449.7	380.6	69.1	624.2	5555.1	5146
1998 ⁴	474.8	401.2	73.5	697.8	5624.2	5156
1999 ⁴	502.2	423.6	78.6	776.4	5697.8	5165
2000 ⁴	532.5	447.8	84.7	861.1	5776.4	5173
2001 ⁴	564.9	474.2	90.7	951.8	5861.1	5182
2002 ⁴	599.1	502.6	96.4	1,048.2	5951.8	5189
2003 ⁴	636.0	532.9	103.1	1,151.3	51,048.2	5197
Low Cost:						
1994	380.5	323.7	56.8	435.1	378.3	117
1995 ⁴	408.9	339.2	69.7	504.8	435.1	128
1996 ⁴	438.2	355.1	83.1	587.9	5504.8	5142
1997 ⁴	468.0	372.4	95.6	683.6	5587.9	5158
1998 ⁴	499.7	390.2	109.5	793.1	5683.6	5175
1999 ⁴	533.3	408.8	124.5	917.6	5793.1	5194
2000 ⁴	569.1	428.2	140.9	1,058.5	5917.6	5214
2001 ⁴	606.9	448.7	158.1	1,216.6	51,058.5	5236
2002 ⁴	646.0	470.5	175.6	1,392.2	51,216.6	5259
2003 ⁴	688.2	493.7	194.5	1,586.7	51,392.2	5282
High Cost:						
1994	376.0	326.0	50.0	428.3	378.3	116
1995 ⁴	395.2	347.7	47.5	475.8	428.3	123
1996 ⁴	418.4	370.2	48.1	523.9	5475.8	5129
1997 ⁴	448.1	400.6	47.5	571.4	5523.9	5131
1998 ⁴	466.3	436.6	29.7	601.0	5571.4	5131
1999 ⁴	490.8	467.6	23.2	624.2	5601.0	5129
2000 ⁴	522.5	501.8	20.7	644.9	5624.2	5124
2001 ⁴	553.8	538.0	15.9	660.8	5644.9	5120
2002 ⁴	584.4	576.2	8.3	669.0	5660.8	5115
2003 ⁴	616.5	616.7	-2	668.8	5669.0	5108

¹Represents assets at beginning of year.

²Represents amounts shown in preceding column as a percentage of expenditures during the year. See text concerning interpretation of these ratios.

³Figures for 1993 represent actual experience.

⁴Under all three alternatives, the DI Trust Fund would be depleted in 1995, when assets would become insufficient to pay benefits on time. Thus, figures shown for the combined trust funds under each alternative for 1995 and later are theoretical. See text for details.

⁵Trust fund amounts and ratios for 1996 and later do not reflect the advance tax transfers to the DI Trust Fund that would be made under present law.

Note: Totals do not necessarily equal the sums of rounded components.

At the beginning of 1993, the trust fund ratio for the OASI and DI Trust Funds combined was 107 percent, as shown in table II.F3. During 1993, total income to the two trust funds was \$46.8 billion higher than total expenditures, reflecting an OASI surplus of \$50.2 billion and the DI deficit of \$3.4 billion. As a result of this net increase, combined OASDI assets at the beginning of 1994 represented

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about 116 percent of estimated combined expenditures for the year. Based on the intermediate assumptions, the trust fund ratio for the combined funds is projected to increase substantially, nearly doubling by 2003. The ratio would grow at an even faster rate under the low cost assumptions, reaching 282 percent at the beginning of the year 2003. Under the high cost assumptions, assets would grow more slowly, reach a maximum of 131 percent in 1997 and 1998, and decline to 108 percent at the beginning of 2003.

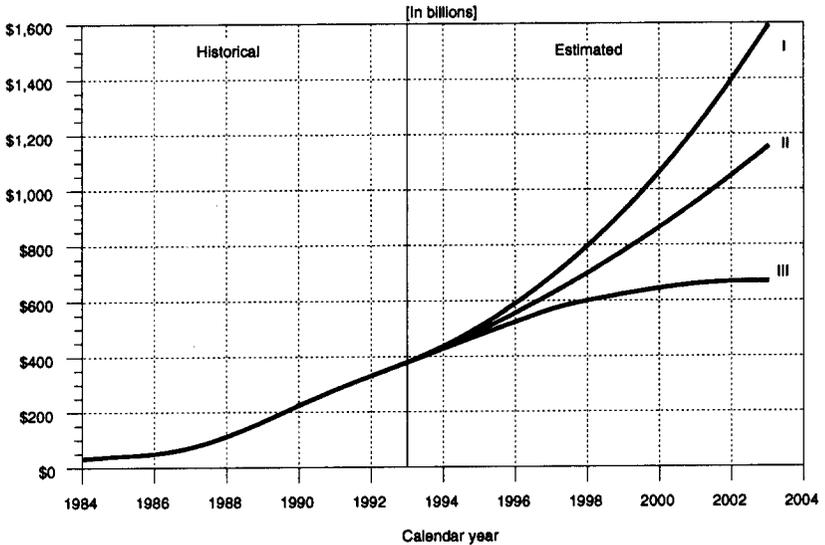
Under the intermediate assumptions, the total assets of the OASI and DI Trust Funds would remain above 100 percent of annual OASDI expenditures throughout the short-range projection period. Therefore, the combined trust funds meet the requirements of the short-range test of financial adequacy. Under the high cost assumptions, the fund ratio for OASI and DI combined would still remain above 100 percent through 2003 (although, as indicated in the section on long-range projections, the ratio would fall below this level shortly thereafter). Thus, even under adverse conditions the combined funds would satisfy the short-range test of financial adequacy, although only by a narrow margin.

The projections in table II.F3 indicate that the short-range financial status of the OASI and DI Trust Funds, on a combined basis, is satisfactory. Thus, the imminent depletion of the DI Trust Fund could be avoided through a reallocation of tax rates between OASI and DI without jeopardizing the short-range financial status of the OASI Trust Fund. Such a reallocation would, of course, worsen the long-range financial outlook for OASI. Because the OASI program is substantially larger than DI, however, the negative impact on OASI would be small whereas the improvement for DI would be considerable.

Section 215(i) of the Social Security Act includes a provision to stabilize automatic benefit increases in the event of high inflation at a time when the combined assets of the OASI and DI Trust Funds are at very low levels (see section II.E of this report). Under all three alternatives, the level of OASDI assets during 1994-2003 would substantially exceed the applicable threshold. Thus, the stabilizer provision would not be triggered during the short-range projection period under any of the sets of assumptions used in this report.

Figure II.F1 presents the estimated total assets of the OASI and DI Trust Funds at the end of each year 1994-2003, based on the three sets of assumptions (together with actual assets at the end of each year 1984-93). Figure II.F2 illustrates the pattern of actual past and estimated future OASDI trust fund ratios under the three alternatives. Trust fund ratios for selected years prior to 1994, and estimates for 1994-2003 under the three alternatives, are shown in table II.F4 for OASI, DI, and both funds combined. In evaluating the ratios shown in figure II.F2 and table II.F4, it should be recalled that a minimum of roughly 8 to 9 percent is generally needed to meet monthly cash-flow requirements. The shaded area in figure II.F2 depicts this requirement.

FIGURE II.F1.—ESTIMATED ASSETS AT END OF YEAR, FOR OASI AND DI TRUST FUNDS COMBINED, CALENDAR YEARS 1984-2003



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FIGURE II.F2.—ESTIMATED TRUST FUND RATIOS, FOR OASI AND DI TRUST FUNDS COMBINED, CALENDAR YEARS 1984-2003

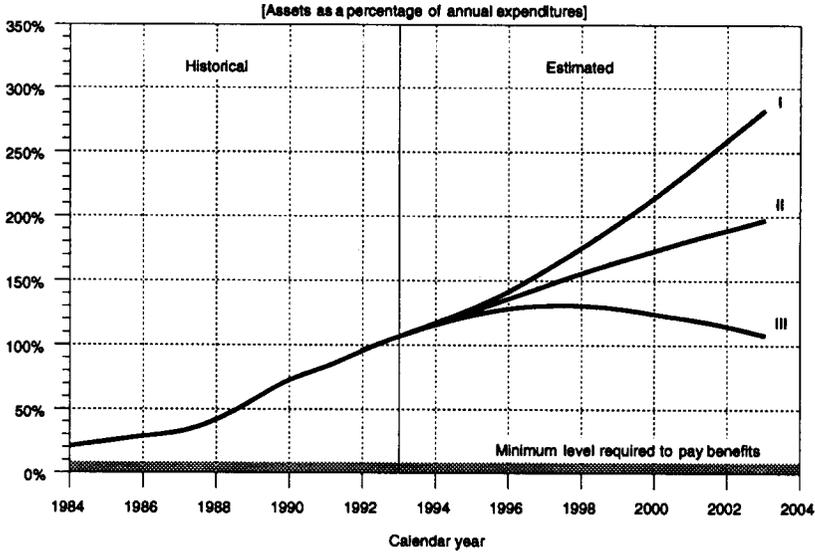


TABLE II.F4.—TRUST FUND RATIOS¹ BY TRUST FUND, SELECTED CALENDAR YEARS 1950-93, AND ESTIMATED FUTURE RATIOS BY ALTERNATIVE, CALENDAR YEARS 1994-2003

[In percent]

Calendar year	OASI Trust Fund	DI Trust Fund	OASI and DI Trust Funds, combined
Historical data:			
1950	1,156	—	1,156
1955	405	—	405
1960	180	304	186
1965	109	121	110
1970	101	126	103
1975	63	92	66
1980	23	35	25
1985	24	27	24
1986	28	38	29
1987	30	44	31
1988	41	38	41
1989	59	38	57
1990	78	40	75
1991	87	39	82
1992	103	40	96
1993	117	35	107
Intermediate:			
1994	129	23	116
1995 ²	143	8	126
1996 ²	157	(3)	4136
1997 ²	173	(3)	4146
1998 ²	188	(3)	4156
1999 ²	204	(3)	4165
2000 ²	219	(3)	4173
2001 ²	233	(3)	4182
2002 ²	246	(3)	4189
2003 ²	259	(3)	4197

TABLE II.F4.—TRUST FUND RATIOS¹ BY TRUST FUND, SELECTED CALENDAR YEARS 1950-93, AND ESTIMATED FUTURE RATIOS BY ALTERNATIVE, CALENDAR YEARS 1994-2003 (Cont.)

[In percent]

Calendar year	OASI Trust Fund	DI Trust Fund	OASI and DI Trust Funds, combined
Low Cost:			
1994	129	23	117
1995 ²	145	11	128
1996 ²	163	(3)	4142
1997 ²	183	(3)	4158
1998 ²	205	(3)	4175
1999 ²	230	(3)	4194
2000 ²	256	(3)	4214
2001 ²	281	(3)	4236
2002 ²	309	(3)	4259
2003 ²	337	(3)	4282
High Cost:			
1994	129	22	116
1995 ²	141	6	123
1996 ²	151	(3)	4129
1997 ²	159	(3)	4131
1998 ²	165	(3)	4131
1999 ²	170	(3)	4129
2000 ²	173	(3)	4124
2001 ²	175	(3)	4120
2002 ²	176	(3)	4115
2003 ²	177	(3)	4108

¹Except where noted, represents assets at beginning of year as a percentage of expenditures during the year. For 1984-90, assets at beginning of year for each trust fund and the combined funds include the respective OASI and DI advance tax transfers for January.

²Figures for OASI and DI combined are theoretical because of the projected depletion of the DI Trust Fund.

³Fund depleted.

⁴Assets at beginning of year exclude advance tax transfers to the DI Trust Fund that would be made under present law.

The estimated trust fund ratios for OASI, as shown in this report under alternative II, are slightly lower than the corresponding estimates in the 1993 Annual Report. The projected operations under alternative I are somewhat less favorable than those shown in the 1993 report, since actual conditions in 1993 were less favorable than assumed under the low cost assumptions used in that report. Correspondingly, the current estimates based on alternative III are somewhat more favorable than those shown in the 1993 report.

The factors underlying the changes in the intermediate estimates for the OASI Trust Fund, from last year's annual report to this year's, are analyzed in table II.F5. In the 1993 Annual Report, the trust fund ratio for OASI was estimated to reach 254 percent at the beginning of the year 2002—the tenth projection year from that report. The corresponding ratio shown in this report for the tenth projection year (2003) is 259 percent. As indicated in table II.F5, if there had been no changes to the projections, then the estimated ratio at the

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beginning of 2003 would have been 15 percentage points higher than at the beginning of 2002. There were changes, however, to reflect the latest actual data as well as adjustments to the assumptions for future years. The changes in the demographic factors had a minor negative effect, resulting in an aggregate reduction by the beginning of the year 2003 of 1 percentage point in the OASI trust fund ratio. The net effect of actual economic conditions in 1993, and adjustments to the assumptions for 1994 and later (primarily slower real wage growth), was to reduce the trust fund ratio by 9 additional percentage points. Together, these factors explain the overall change in the ratio for the tenth projection year.

Corresponding estimates of the factors underlying the changes in the financial projections for the DI Trust Fund, and for the OASI and DI Trust Funds combined, are also shown in table II.F5. As was the case for OASI, the most significant factor affecting the new estimates for the DI Trust Fund was the change in the economic assumptions.

TABLE II.F5.—CHANGE IN OASI AND DI TRUST FUND RATIOS AT THE BEGINNING OF THE TENTH YEAR OF PROJECTION, BASED ON THE INTERMEDIATE ASSUMPTIONS, BY REASON FOR CHANGE

[In percent]

Item	OASI Trust Fund	DI Trust Fund	OASI and DI Trust Funds, combined
Trust fund ratio shown in last year's report for calendar year 2002 ¹	254	2-115	2 199
Change in trust fund ratio due to changes in:			
Valuation period	15	-13	9
Demographic assumptions	-1	-2	-1
Economic assumptions	-9	-10	-10
Disability assumptions	(3)	-3	(3)
Total change in trust fund ratio	5	-28	-2
Trust fund ratio shown in this report for calendar year 2003 ¹	259	2-143	2 197

¹ Figures for DI, and for OASI and DI combined, are theoretical because of the depletion of the DI Trust Fund.

² Does not reflect advance tax transfers to the DI Trust Fund.

³ Between -0.5 and 0.5 percent.

Note: Totals do not necessarily equal the sums of rounded components.

For the DI Trust Fund during 1994-2003, the estimated operations in this report under alternatives II and III are very similar to the corresponding estimates from the 1993 report; the estimated operations under alternative I show a significant worsening. The number of new disability awards to insured workers in 1993 was less

than anticipated in last year's report, but (as noted earlier) the backlog of pending disability claims increased substantially. The assumed disability incidence rates for the 1994 Annual Report are initially higher than the corresponding rates from the 1993 report, to reflect awards that were delayed from 1993; in later years, this difference diminishes.

The overall disability termination rate experienced in 1993 was slightly lower than assumed under the intermediate assumptions of the 1993 Annual Report (9.8 percent versus 9.9 percent). The termination rate assumptions for this report were not changed regarding terminations due to attainment of normal retirement age, as compared to the 1993 Annual Report. The assumptions were revised, based on improved data for the actual experience in 1991-93, to reflect a small increase in the termination rates due to death and a significant decrease in termination rates due to recovery, compared to the 1993 report. (As noted previously, however, recovery termination rates are still assumed to increase relative to the levels experienced in recent years.) Overall, the estimated aggregate termination rates (based on all causes) are slightly lower than the corresponding rates from the prior report.

Table II.F6 shows that total expenditures in calendar year 1993 from the OASI and DI Trust Funds increased to 11.64 percent of taxable payroll for the year—0.98 percentage point less than the income rate of 12.61 percent. This increase in the total cost rate for OASDI is primarily attributable to the continuing cost increases experienced by the DI program, as described previously. Under the intermediate assumptions, the OASDI cost rate would increase very gradually during the short-range projection period, to 11.86 percent in 2003. Based on the low cost assumptions, the cost rate is estimated to decline steadily, reaching 10.40 percent in 2003. The high cost alternative indicates a significant increase, to 13.70 percent in 2003.

These cost rate projections are shown in table II.F6 for both trust funds, separately and combined. Table II.F6 also shows a comparison of the cost rates with the corresponding income rates. As explained previously, the income rate represents the sum of the combined employee-employer payroll tax rate and the income derived from the Federal income taxation of OASDI benefits, expressed as a percentage of taxable payroll. The difference between the income rate and the cost rate for a year is referred to as the "balance" for that year.

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**TABLE II.F6.—COMPARISON OF INCOME RATES AND COST RATES,
BY TRUST FUND, SELECTED CALENDAR YEARS 1950-93, AND
ESTIMATED RATES BY ALTERNATIVE, CALENDAR YEARS 1994-2003**

[As a percentage of taxable payroll]

Calendar year	OASI Trust Fund			DI Trust Fund			OASI and DI, combined		
	Income rate	Cost rate	Balance	Income rate	Cost rate	Balance	Income rate	Cost rate	Balance
Historical data:									
1950...	3.00	1.17	1.83	—	—	—	3.00	1.17	1.83
1955...	4.00	3.34	.66	—	—	—	4.00	3.34	.66
1960...	5.50	5.59	-.09	0.50	0.30	0.20	6.00	5.89	.11
1965...	6.75	7.23	-.48	.50	.70	-.20	7.25	7.93	-.68
1970...	7.30	7.32	-.02	1.10	.81	-.29	8.40	8.12	.28
1975...	8.75	9.29	-.54	1.15	1.36	-.21	9.90	10.65	-.75
1980...	9.04	9.36	-.32	1.12	1.38	-.26	10.16	10.74	-.58
1985...	110.71	9.93	.78	11.07	1.13	-.06	111.79	11.06	.72
1986...	10.59	9.83	.76	1.01	1.11	-.10	11.60	10.94	.66
1987...	10.57	9.59	.97	1.00	1.10	-.10	11.56	10.69	.88
1988 ² ...	11.22	9.59	1.63	1.06	1.08	-.02	12.29	10.67	1.62
1989 ² ...	11.17	9.51	1.66	1.06	1.06	(9)	12.23	10.57	1.67
1990 ² ...	111.32	9.66	1.65	11.17	1.09	.09	112.49	10.75	1.74
1991 ² ...	11.44	10.15	1.29	1.21	1.18	.03	12.65	11.33	1.32
1992 ² ...	11.43	10.27	1.16	1.21	1.26	-.06	12.64	11.53	1.11
1993 ² ...	11.40	10.29	1.11	1.21	1.34	-.13	12.61	11.64	.98
Intermediate:									
1994...	11.42	10.24	1.18	1.21	1.40	-.19	12.63	11.64	.98
1995...	111.39	10.21	1.19	11.21	1.47	-.26	112.60	11.67	.93
1996...	11.42	10.19	1.23	1.21	1.52	-.31	12.63	11.71	.92
1997...	11.42	10.15	1.27	1.21	1.57	-.35	12.63	11.72	.92
1998...	11.42	10.12	1.30	1.21	1.62	-.41	12.64	11.74	.90
1999...	11.42	10.09	1.34	1.21	1.67	-.45	12.64	11.75	.88
2000...	111.20	10.06	1.14	11.43	1.71	-.27	112.64	11.77	.87
2001...	11.21	10.05	1.15	1.43	1.75	-.32	12.64	11.80	.84
2002...	11.21	10.04	1.16	1.44	1.79	-.36	12.64	11.83	.81
2003...	11.21	10.03	1.18	1.44	1.83	-.40	12.64	11.86	.78
Low Cost:									
1994...	11.41	10.13	1.28	1.21	1.36	-.15	12.62	11.50	1.13
1995...	111.37	9.96	1.41	11.21	1.38	-.17	112.58	11.34	1.24
1996...	11.41	9.79	1.62	1.21	1.39	-.18	12.62	11.18	1.44
1997...	11.41	9.62	1.78	1.21	1.40	-.19	12.62	11.02	1.60
1998...	11.41	9.47	1.94	1.21	1.41	-.20	12.62	10.88	1.74
1999...	11.41	9.33	2.08	1.21	1.42	-.20	12.62	10.75	1.87
2000...	111.19	9.21	1.97	11.43	1.42	.01	112.62	10.64	1.98
2001...	11.18	9.11	2.07	1.43	1.43	(3)	12.62	10.54	2.07
2002...	11.18	9.03	2.16	1.43	1.44	-.01	12.62	10.47	2.15
2003...	11.18	8.94	2.24	1.43	1.46	-.03	12.62	10.40	2.21
High Cost:									
1994...	11.42	10.30	1.12	1.21	1.44	-.22	12.63	11.73	.89
1995...	111.44	10.56	.87	11.21	1.57	-.36	112.65	12.13	.52
1996...	11.43	10.56	.87	1.21	1.66	-.45	12.64	12.22	.42
1997...	11.43	10.63	.80	1.21	1.75	-.54	12.64	12.38	.27
1998...	11.44	11.11	.34	1.22	1.93	-.71	12.66	13.03	-.37
1999...	11.45	11.19	.26	1.22	2.03	-.82	12.67	13.22	-.56
2000...	111.23	11.18	.05	11.44	2.12	-.68	112.67	13.30	-.63
2001...	11.23	11.21	.02	1.44	2.20	-.77	12.67	13.42	-.75
2002...	11.23	11.28	-.04	1.44	2.29	-.85	12.67	13.56	-.89
2003...	11.24	11.33	-.10	1.44	2.37	-.93	12.68	13.70	-1.02

¹Income rates for 1985, 1990, 1995, and 2000 are modified to include adjustments to the lump-sum payments received in 1983 from the general fund of the Treasury for the cost of noncontributory wage credits for military service in 1940-56.

²Figures shown are preliminary.

³Between -0.005 and 0.005 percent of taxable payroll.

Notes:

1. The income rate excludes interest income and certain transfers from the general fund of the Treasury.
2. Totals do not necessarily equal the sums of rounded components.

Estimates of the operations of the trust funds during calendar years 1994-2003 have been presented in the preceding tables on the basis of three different sets of economic assumptions, because of the uncertainty of future economic and demographic developments. Under the provisions of the Social Security Act, estimates of the expected operations and status of the trust funds during the next 5 *fiscal* years are required to be shown in this report. Accordingly, detailed estimates of the expected operations and status of the trust funds during fiscal years 1994-98 are shown in the remaining tables of this section for the intermediate assumptions (alternative II) only. Similar detailed estimates are also shown for 5 additional fiscal years (1999-2003) and on a calendar-year basis for 1994-2003.

Data on the actual operations of the OASI Trust Fund for selected years during 1940-93, and estimates of the expected operations of the trust fund during 1994-2003 on the basis of the intermediate assumptions, are shown in tables II.F7 and II.F8 on a fiscal- and calendar-year basis, respectively. Corresponding figures on the operations of the DI Trust Fund are shown in tables II.F9 and II.F10. Operations of both trust funds combined are shown in tables II.F11 and II.F12. (Data relating to the operations of the two trust funds for years not shown in tables II.F7-II.F12 are contained in past annual reports.) The figures shown in tables II.F8, II.F10, and II.F12 for 1987, 1988, 1992, and 1993 are adjusted to reflect 12 months of benefit payments in each year. The amounts estimated for 1998 and 1999 are similarly adjusted.

TABLE II.F7.—OPERATIONS OF THE OASI TRUST FUND DURING SELECTED FISCAL YEARS 1940-93 AND ESTIMATED FUTURE OPERATIONS DURING FISCAL YEARS 1994-2003, ON THE BASIS OF THE INTERMEDIATE SET OF ASSUMPTIONS

[In millions]

Fiscal year ¹	Income					Expenditures						Fund at end of period
	Total	Net contributions ²	Income from taxation of benefits	Payments from the general fund of the Treasury ³	Net interest ⁴	Total	Benefit payments ⁵	Administrative expenses	Transfers to Railroad Retirement program	Interfund borrowing transfers ⁶	Net increase in fund	
Historical data:												
1940 ..	\$592	\$550	—	—	\$42	\$28	\$16	\$12	—	—	\$564	\$1,745
1945 ..	1,434	1,310	—	—	124	267	240	27	—	—	1,167	6,613
1950 ..	2,367	2,106	—	\$4	257	784	727	57	—	—	1,583	12,893
1955 ..	5,525	5,087	—	—	438	4,427	4,333	103	-\$10	—	1,098	21,141
1960 ..	10,360	9,843	—	—	517	11,073	10,270	202	600	—	-713	20,829
1965 ..	16,443	15,857	—	—	586	15,962	15,226	300	436	—	482	20,180
1970 ..	31,746	29,955	—	442	1,350	27,321	26,268	474	579	—	4,425	32,616
1975 ..	58,757	56,017	—	447	2,292	56,676	54,847	848	982	—	2,081	39,948
1980 ..	100,051	97,608	—	557	1,886	103,228	100,626	1,160	1,442	—	-3,177	24,566
1985 ..	179,881	175,305	\$3,151	105	1,321	169,210	165,310	1,589	2,310	-\$4,364	6,308	33,877
1986 ..	195,331	187,007	3,329	2,293	2,701	178,534	174,340	1,609	2,585	-13,155	3,642	37,519
1987 ..	206,846	199,554	3,323	69	3,900	186,101	182,003	1,541	2,557	—	20,745	58,265
1988 ..	235,720	226,409	3,335	55	5,922	197,021	192,502	1,729	2,790	—	38,700	96,964
1989 ..	260,457	247,116	3,638	43	9,660	209,102	204,600	1,657	2,845	—	51,355	148,315
1990 ..	278,607	261,506	2,924	34	14,143	223,481	218,948	1,564	2,969	—	55,126	203,449
1991 ..	293,288	270,841	5,790	-2,089	18,746	241,316	236,195	1,746	3,375	—	51,972	255,417
1992 ..	307,102	278,506	6,019	19	22,557	256,239	251,268	1,823	3,148	—	50,862	306,280
1993 ..	319,298	287,569	5,893	14	25,822	269,934	264,561	2,021	3,353	—	49,364	355,644
Estimates:												
1994 ..	339,890	306,090	5,400	10	28,390	282,406	277,027	1,839	3,540	—	57,484	413,128
1995 ..	361,982	324,183	6,287	7	31,504	296,074	290,507	2,023	3,544	—	65,907	479,035
1996 ..	382,945	341,942	6,656	-693	35,040	310,492	304,843	2,029	3,620	—	72,453	551,488
1997 ..	405,245	359,170	7,051	4	39,019	325,820	320,046	2,064	3,710	—	79,425	630,914
1998 ..	429,183	378,188	7,481	3	43,510	341,827	335,916	2,110	3,802	—	87,356	718,270
1999 ..	454,672	398,108	7,948	2	48,614	359,050	353,013	2,164	3,873	—	95,622	813,892
2000 ..	476,720	414,164	8,423	2	54,132	377,929	371,747	2,224	3,958	—	98,791	912,683
2001 ..	504,526	435,654	8,916	1	59,954	398,607	392,181	2,285	4,140	—	105,919	1,018,602
2002 ..	535,952	460,032	9,447	1	66,472	420,851	414,213	2,352	4,287	—	115,101	1,133,703
2003 ..	570,150	486,496	10,057	1	73,596	444,481	437,629	2,423	4,430	—	125,668	1,259,371

See following page for footnotes.

¹Under the Congressional Budget Act of 1974 (Public Law 93-344), fiscal years 1977 and later consist of the 12 months ending on September 30 of each year. Fiscal years prior to 1977 consisted of the 12 months ending on June 30 of each year.

²Beginning in 1983, includes transfers from general fund of Treasury representing contributions that would have been paid on deemed wage credits for military service in 1957 and later, if such credits were considered to be covered wages.

³Includes payments (1) in 1947-52 and in 1967 and later, for costs of non-contributory wage credits for military service performed before 1957; (2) in 1972-83, for costs of deemed wage credits for military service performed after 1956; and (3) in 1969 and later, for costs of benefits to certain uninsured persons who attained age 72 before 1968.

⁴Net interest includes net profits or losses on marketable investments. Beginning in 1967, administrative expenses are charged currently to the trust fund on an estimated basis, with a final adjustment, including interest, made in the following fiscal year. The amounts of these interest adjustments are included in net interest.

For years prior to 1967, a description of the method of accounting for administrative expenses is contained in the 1970 Annual Report. Beginning in October 1973, the figures shown include relatively small amounts of gifts to the fund. Net interest for 1983-86 reflects payments from a borrowing trust fund to a lending trust fund for interest on amounts owed under the interfund borrowing provisions. During 1983-91, interest paid from the trust fund to the general fund on advance tax transfers is reflected. The amounts shown for 1985 and 1986 include interest adjustments of \$76.5 million and \$11.5 million, respectively, on unnegotiated checks issued before April 1985.

⁵Beginning in 1967, includes payments for vocational rehabilitation services furnished to disabled persons receiving benefits because of their disabilities. Beginning in 1983, amounts are reduced by amount of reimbursement for un-negotiated benefit checks.

⁶Negative figures represent amounts repaid from the OASI Trust Fund to the DI and HI Trust Funds.

Note: Totals do not necessarily equal the sums of rounded components.

TABLE II.F8.—OPERATIONS OF THE OASI TRUST FUND DURING SELECTED CALENDAR YEARS 1940-93 AND ESTIMATED FUTURE OPERATIONS DURING CALENDAR YEARS 1994-2003, ON THE BASIS OF THE INTERMEDIATE SET OF ASSUMPTIONS

[In millions]

Calendar year	Income					Expenditures						
	Total	Net contributions ¹	Income from taxation of benefits	Payments from the general fund of the Treasury ²	Net interest ³	Total	Benefit payments ⁴	Administrative expenses	Transfers to Railroad Retirement program	Interfund borrowing transfers ⁵	Net increase in fund	Fund at end of period
Historical data:												
1940 ..	\$368	\$325	—	—	\$43	\$62	\$35	\$26	—	—	\$306	\$2,031
1945 ..	1,420	1,285	—	—	134	304	274	30	—	—	1,116	7,121
1950 ..	2,928	2,667	—	\$4	257	1,022	961	61	—	—	1,905	13,721
1955 ..	6,167	5,713	—	—	454	5,079	4,968	119	—	-\$7	1,087	21,663
1960 ..	11,382	10,866	—	—	516	11,198	10,677	203	—	318	184	20,324
1965 ..	16,610	16,017	—	—	593	17,501	16,737	328	—	436	-890	18,235
1970 ..	32,220	30,256	—	449	1,515	29,848	28,798	471	—	579	2,371	32,454
1975 ..	59,605	56,619	—	622	2,364	60,395	58,517	896	—	982	-789	36,987
1980 ..	105,841	103,355	—	641	1,845	107,678	105,082	1,154	—	1,442	-1,837	22,824
1985 ..	184,239	176,958	\$3,208	2,203	1,871	171,150	167,248	1,592	—	2,310	-\$4,364	8,725
1986 ..	197,393	190,741	3,424	160	3,069	181,000	176,813	1,601	—	2,585	-13,155	3,239
1987 ..	210,736	202,735	3,257	55	4,690	187,668	183,587	1,524	—	2,557	23,068	62,149
1988 ..	240,770	229,775	3,384	43	7,568	200,020	195,454	1,776	—	2,790	40,750	102,899
1989 ..	264,653	250,195	2,439	34	11,985	212,489	207,971	1,673	—	2,845	52,164	155,063
1990 ..	286,653	267,530	4,848	-2,089	16,363	227,519	222,987	1,563	—	2,969	59,134	214,197
1991 ..	299,286	272,574	5,864	19	20,829	245,634	240,467	1,792	—	3,375	53,652	267,849
1992 ..	311,162	280,992	5,852	14	24,303	259,861	254,883	1,830	—	3,148	51,301	319,150
1993 ..	323,277	290,905	5,335	10	27,027	273,104	267,755	1,996	—	3,353	50,173	369,322
Estimates:												
1994 ..	343,651	307,740	6,000	7	29,903	285,677	280,253	1,884	—	3,540	57,974	427,296
1995 ..	366,643	327,720	6,385	-693	33,231	299,447	293,878	2,025	—	3,544	67,196	494,492
1996 ..	388,920	345,213	6,746	4	36,956	314,160	308,502	2,038	—	3,620	74,760	569,252
1997 ..	411,654	363,306	7,154	3	41,190	329,703	323,918	2,075	—	3,710	81,950	651,202
1998 ..	435,525	381,938	7,591	2	45,993	345,866	339,941	2,123	—	3,802	89,659	740,862
1999 ..	461,825	402,429	8,068	2	51,326	363,483	357,432	2,179	—	3,873	98,342	839,204
2000 ..	482,822	417,297	8,542	1	56,982	382,768	376,571	2,239	—	3,958	100,054	939,257
2001 ..	512,723	440,546	9,041	1	63,135	403,873	397,431	2,302	—	4,140	108,850	1,048,107
2002 ..	544,891	465,361	9,584	1	69,945	426,543	419,886	2,370	—	4,287	118,348	1,166,455
2003 ..	579,779	492,174	10,216	1	77,388	450,461	443,591	2,441	—	4,430	129,318	1,295,773

See following page for footnotes.

¹Beginning in 1983, includes transfers from general fund of Treasury representing contributions that would have been paid on deemed wage credits for military service in 1957 and later, if such credits were considered to be covered wages.

²Includes payments (1) in 1947-51 and in 1966 and later, for costs of non-contributory wage credits for military service performed before 1957; (2) in 1971-82, for costs of deemed wage credits for military service performed after 1956; and (3) in 1968 and later, for costs of benefits to certain uninsured persons who attained age 72 before 1968.

³Net interest includes net profits or losses on marketable investments. Beginning in 1967, administrative expenses are charged currently to the trust fund on an estimated basis, with a final adjustment, including interest, made in the following fiscal year. The amounts of these interest adjustments are included in net interest. For years prior to 1967, a description of the method of accounting for administrative expenses is contained in the 1970 Annual Report. Beginning in October

1973, the figures shown include relatively small amounts of gifts to the fund. Net interest for 1983-86 reflects payments from a borrowing trust fund to a lending trust fund for interest on amounts owed under the interfund borrowing provisions. During 1983-90, interest paid from the trust fund to the general fund on advance tax transfers is reflected. The amount shown for 1985 includes an interest adjustment of \$88 million on unnegotiated checks issued before April 1985.

⁴Beginning in 1966, includes payments for vocational rehabilitation services furnished to disabled persons receiving benefits because of their disabilities. Beginning in 1983, amounts are reduced by amount of reimbursement for un-negotiated benefit checks.

⁵Negative figures represent amounts repaid from the OASI Trust Fund to the DI and HI Trust Funds.

Note: Totals do not necessarily equal the sums of rounded components.

TABLE II.F9.—OPERATIONS OF THE DI TRUST FUND DURING SELECTED FISCAL YEARS 1960-93 AND ESTIMATED FUTURE OPERATIONS DURING FISCAL YEARS 1994-2003, ON THE BASIS OF THE INTERMEDIATE SET OF ASSUMPTIONS

[In millions]

Fiscal year ¹	Income					Expenditures						
	Total	Net contributions ²	Income from taxation of benefits	Payments from the general fund of the Treasury ³	Net interest ⁴	Total	Benefit payments ⁵	Administrative expenses	Transfers to Railroad Retirement program	Interfund borrowing transfers ⁶	Net increase in fund	Fund at end of period
Historical data:												
1960 ..	\$1,034	\$987	—	—	\$47	\$533	\$528	\$32	-\$27	—	\$501	\$2,167
1965 ..	1,237	1,175	—	—	62	1,495	1,392	79	24	—	-257	2,007
1970 ..	4,380	4,141	—	\$16	223	2,954	2,795	149	10	—	1,426	5,104
1975 ..	7,920	7,356	—	52	512	7,982	7,701	253	29	—	-62	8,191
1980 ..	17,376	16,805	—	118	453	15,320	14,998	334	-12	—	2,056	7,680
1985 ..	17,984	16,876	\$217	—	891	19,294	18,648	603	43	\$2,540	1,230	5,873
1986 ..	20,130	18,139	229	1,017	746	20,196	19,529	600	68	2,541	2,475	8,348
1987 ..	20,047	19,324	7-16	—	738	21,222	20,427	738	57	—	-1,175	7,173
1988 ..	22,369	21,736	56	—	577	22,269	21,405	803	61	—	100	7,273
1989 ..	24,479	23,694	135	—	650	23,389	22,550	751	88	—	1,090	8,363
1990 ..	28,215	27,291	158	—	766	25,124	24,327	717	80	—	3,091	11,455
1991 ..	29,322	28,953	131	-775	1,014	27,780	26,909	789	82	—	1,543	12,997
1992 ..	31,168	29,871	218	—	1,080	31,285	30,382	845	58	—	-116	12,881
1993 ..	32,056	30,822	268	—	966	34,632	33,615	935	83	—	-2,576	10,305
Estimates:												
1994 ..	33,780	32,795	307	—	678	38,124	37,020	1,028	76	—	-4,343	5,962
1995 ^a	35,297	34,734	334	—	229	42,057	40,852	1,124	81	—	-6,760	-799
1996 ^a	36,700	36,636	369	-38	-266	45,941	44,740	1,111	90	—	-9,240	-10,039
1997 ^a	38,008	38,485	398	—	-875	49,926	48,661	1,161	103	—	-11,917	-21,956
1998 ^a	39,312	40,526	443	—	-1,657	54,264	52,926	1,223	116	—	-14,952	-36,909
1999 ^a	40,484	42,662	489	—	-2,666	58,909	57,490	1,292	127	—	-18,425	-55,333
2000 ^a	47,780	51,067	535	—	-3,821	63,766	62,260	1,368	139	—	-15,986	-71,319
2001 ^a	52,088	56,337	587	—	-4,836	69,003	67,417	1,448	137	—	-16,915	-88,235
2002 ^a	54,148	59,494	645	—	-5,991	74,664	72,981	1,536	147	—	-20,516	-108,750
2003 ^a	56,231	62,900	712	—	-7,381	80,801	79,005	1,631	166	—	-24,570	-133,320

See following page for footnotes.

¹Under the Congressional Budget Act of 1974 (Public Law 93-344), fiscal years 1977 and later consist of the 12 months ending on September 30 of each year. Fiscal years prior to 1977 consisted of the 12 months ending on June 30 of each year.

²Beginning in 1983, includes transfers from general fund of Treasury representing contributions that would have been paid on deemed wage credits for military service in 1957 and later, if such credits were considered to be covered wages.

³Includes payments (1) in 1967 and later, for costs of noncontributory wage credits for military service performed before 1957; and (2) in 1972-83, for costs of deemed wage credits for military service performed after 1956.

⁴Net interest includes net profits or losses on marketable investments. Beginning in 1967, administrative expenses are charged currently to the trust fund on an estimated basis, with a final adjustment, including interest, made in the following fiscal year. The amounts of these interest adjustments are included in net interest. For years prior to 1967, a description of the method of accounting for administrative expenses is contained in the 1970 Annual Report. Beginning in July 1974, the figures shown include relatively small amounts of gifts to the fund. Net interest for 1983-86 reflects payments from a borrowing trust fund to a lending trust fund for interest on amounts owed under the interfund borrowing provisions.

During 1983-91, interest paid from the trust fund to the general fund on advance tax transfers is reflected. The amount shown for 1985 includes an interest adjustment of \$14.8 million on unnegotiated checks issued before April 1985. Figures for 1995-2003 reflect theoretical interest paid from the trust fund to the general fund on theoretical debt borrowings.

⁵Beginning in 1967, includes payments for vocational rehabilitation services furnished to disabled persons receiving benefits because of their disabilities. Beginning in 1983, amounts are reduced by amount of reimbursement for un-negotiated benefit checks.

⁶Figures represent repayment of amounts lent by the DI Trust Fund to the OASI Trust Fund in calendar year 1982.

⁷Reflects \$195 million in transfers from the DI Trust Fund to the general fund of the Treasury to correct estimated amounts transferred for calendar years 1984 and 1985.

⁸The DI Trust Fund would be depleted in fiscal year 1995, when assets would become insufficient to pay benefits on time. Thus, figures shown for year of depletion and later are theoretical. See text for details.

Note: Totals do not necessarily equal the sums of rounded components.

TABLE II.F10.—OPERATIONS OF THE DI TRUST FUND DURING SELECTED CALENDAR YEARS 1960-93 AND ESTIMATED FUTURE OPERATIONS DURING CALENDAR YEARS 1994-2003, ON THE BASIS OF THE INTERMEDIATE SET OF ASSUMPTIONS

[In millions]

Calendar year	Income					Expenditures						Fund at end of period
	Total	Net contributions ¹	Income from taxation of benefits	Payments from the general fund of the Treasury ²	Net interest ³	Total	Benefit payments ⁴	Administrative expenses	Transfers to Railroad Retirement program	Interfund borrowing transfers ⁵	Net increase in fund	
Historical data:												
1960 ..	\$1,063	\$1,010	—	—	\$53	\$600	\$568	\$36	-\$5	—	\$464	\$2,289
1965 ..	1,247	1,188	—	—	59	1,687	1,573	90	24	—	-440	1,606
1970 ..	4,774	4,481	—	\$16	277	3,259	3,085	164	10	—	1,514	5,614
1975 ..	8,035	7,444	—	90	502	8,790	8,505	256	29	—	-754	7,354
1980 ..	13,871	13,255	—	130	485	15,872	15,515	368	-12	—	-2,001	3,629
1985 ..	19,301	17,191	\$222	1,017	870	19,478	18,827	608	43	\$2,540	2,363	6,321
1986 ..	19,439	18,399	238	—	803	20,522	19,853	600	68	2,541	1,459	7,780
1987 ..	20,303	19,691	6-36	—	648	21,425	20,519	849	57	—	-1,122	6,658
1988 ..	22,699	22,039	61	—	600	22,494	21,695	737	61	—	206	6,864
1989 ..	24,795	23,993	95	—	707	23,753	22,911	754	88	—	1,041	7,905
1990 ..	28,791	28,539	144	-775	883	25,616	24,829	707	80	—	3,174	11,079
1991 ..	30,390	29,137	190	—	1,063	28,571	27,695	794	82	—	1,819	12,898
1992 ..	31,430	30,136	232	—	1,062	32,004	31,112	834	58	—	-574	12,324
1993 ..	32,301	31,185	281	—	835	35,662	34,613	966	83	—	-3,361	8,963
Estimates:												
1994 ..	33,740	32,966	309	—	465	39,138	37,997	1,064	76	—	-5,398	3,565
1995 ..	35,423	35,113	343	-38	5	43,012	41,810	1,121	81	—	-7,589	-4,024
1996 ..	36,816	36,988	377	—	-549	46,930	45,717	1,123	90	—	-10,114	-14,138
1997 ..	38,089	38,928	405	—	-1,244	50,918	49,640	1,175	103	—	-12,829	-26,967
1998 ..	39,252	40,929	456	—	-2,132	55,382	54,027	1,239	116	—	-16,129	-43,096
1999 ..	40,376	43,125	499	—	-3,248	60,069	58,632	1,310	127	—	-19,692	-62,788
2000 ..	49,647	53,436	546	—	-4,336	64,993	63,468	1,386	139	—	-15,347	-78,135
2001 ..	52,187	56,972	601	—	-5,385	70,354	68,748	1,469	137	—	-18,167	-96,302
2002 ..	54,165	60,160	660	—	-6,655	76,103	74,398	1,558	147	—	-21,938	-118,240
2003 ..	56,192	63,637	730	—	-8,175	82,422	80,603	1,654	166	—	-26,230	-144,470

See following page for footnotes.

¹Beginning in 1983, includes transfers from general fund of Treasury representing contributions that would have been paid on deemed wage credits for military service in 1957 and later, if such credits were considered to be covered wages.

²Includes payments (1) in 1966 and later, for costs of noncontributory wage credits for military service performed before 1957; and (2) in 1971-82, for costs of deemed wage credits for military service performed after 1956.

³Net interest includes net profits or losses on marketable investments. Beginning in 1967, administrative expenses are charged currently to the trust fund on an estimated basis, with a final adjustment, including interest, made in the following fiscal year. The amounts of these interest adjustments are included in net interest. For years prior to 1967, a description of the method of accounting for administrative expenses is contained in the 1970 Annual Report. Beginning in July 1974, the figures shown include relatively small amounts of gifts to the fund. Net interest for 1983-86 reflects payments from a borrowing trust fund to a lending trust fund for interest on amounts owed under the interfund borrowing provisions. During 1983-90, interest paid from the trust fund to the general fund on advance tax transfers is reflected. The amount shown for 1985 includes an interest ad-

justment of \$14.8 million on unnegotiated checks issued before April 1985. Figures for 1995-2003 reflect theoretical interest paid from the trust fund to the general fund on theoretical debt borrowings.

⁴Beginning in 1966, includes payments for vocational rehabilitation services furnished to disabled persons receiving benefits because of their disabilities. Beginning in 1983, amounts are reduced by amount of reimbursement for unnegotiated benefit checks.

⁵Figures represent repayment of amounts lent by the DI Trust Fund to the OASI Trust Fund in calendar year 1982.

⁶Reflects \$195 million in transfers from the DI Trust Fund to the general fund of the Treasury to correct estimated amounts transferred for calendar years 1984 and 1985.

⁷The DI Trust Fund would be depleted in calendar year 1995, when assets would become insufficient to pay benefits on time. Thus, figures shown for year of depletion and later are theoretical. See text for details.

Note: Totals do not necessarily equal the sums of rounded components.

TABLE II.F11.—OPERATIONS OF THE OASI AND DI TRUST FUNDS, COMBINED, DURING SELECTED FISCAL YEARS 1960-93 AND ESTIMATED FUTURE OPERATIONS DURING FISCAL YEARS 1994-2003, ON THE BASIS OF THE INTERMEDIATE SET OF ASSUMPTIONS

[In millions]

Fiscal year ¹	Income					Expenditures						Funds at end of period
	Total	Net contributions ²	Income from taxation of benefits	Payments from the general fund of the Treasury ³	Net interest ⁴	Total	Benefit payments ⁵	Administrative expenses	Transfers to Railroad Retirement program	Interfund borrowing transfers ⁶	Net increase in funds	
Historical data:												
1960 ..	\$11,394	\$10,830	—	—	\$564	\$11,606	\$10,798	\$234	\$574	—	-\$212	\$22,996
1965 ..	17,681	17,032	—	—	648	17,456	16,618	379	459	—	224	27,187
1970 ..	36,127	34,096	—	\$458	1,572	30,275	29,063	623	589	—	5,851	37,720
1975 ..	66,677	63,374	—	499	2,804	64,658	62,547	1,101	1,010	—	2,018	48,138
1980 ..	117,427	114,413	—	675	2,339	118,548	115,624	1,494	1,430	—	-1,121	32,246
1985 ..	197,865	192,181	\$3,368	105	2,211	188,504	183,959	2,192	2,353	-\$1,824	7,538	39,750
1986 ..	215,461	205,146	3,558	3,310	3,447	198,730	193,869	2,209	2,653	-10,613	6,117	45,867
1987 ..	226,893	218,878	3,307	69	4,638	207,323	202,430	2,279	2,614	—	19,570	65,437
1988 ..	258,090	248,145	3,390	55	6,500	219,290	213,907	2,532	2,851	—	38,800	104,237
1989 ..	284,936	270,811	3,772	43	10,310	232,491	227,150	2,407	2,934	—	52,445	156,682
1990 ..	306,822	288,797	3,081	34	14,909	248,605	243,275	2,280	3,049	—	58,217	214,900
1991 ..	322,611	299,794	5,921	-2,864	19,759	269,096	263,104	2,535	3,457	—	53,515	268,415
1992 ..	338,270	308,377	6,237	19	23,637	287,524	281,650	2,668	3,206	—	50,746	319,161
1993 ..	351,354	318,391	6,161	14	26,788	304,566	298,176	2,955	3,435	—	46,788	365,949
Estimates:												
1994 ..	373,670	338,885	5,707	10	29,068	320,530	314,047	2,867	3,616	—	53,140	419,089
1995 ..	397,279	358,917	6,621	7	31,734	338,132	331,359	3,147	3,625	—	59,147	478,236
1996 ..	419,646	378,578	7,025	-731	34,774	356,433	349,583	3,140	3,710	—	63,213	541,449
1997 ..	443,253	397,655	7,450	4	38,144	375,745	368,707	3,225	3,813	—	67,508	608,957
1998 ..	468,495	418,714	7,924	3	41,853	396,091	388,841	3,332	3,918	—	72,403	681,361
1999 ..	495,156	440,770	8,436	2	45,948	417,959	410,503	3,456	4,000	—	77,198	758,559
2000 ..	524,501	465,231	8,957	2	50,311	441,696	434,007	3,591	4,097	—	82,805	841,364
2001 ..	556,613	491,991	9,503	1	55,118	467,610	459,598	3,734	4,277	—	89,004	930,367
2002 ..	590,100	519,526	10,092	1	60,481	495,515	487,193	3,888	4,434	—	94,585	1,024,953
2003 ..	626,381	549,396	10,769	1	66,215	525,282	516,633	4,053	4,595	—	101,099	1,126,051

See following page for footnotes.

¹Under the Congressional Budget Act of 1974 (Public Law 93-344), fiscal years 1977 and later consist of the 12 months ending on September 30 of each year. Fiscal years prior to 1977 consisted of the 12 months ending on June 30 of each year.

²Beginning in 1983, includes transfers from general fund of Treasury representing contributions that would have been paid on deemed wage credits for military service in 1957 and later, if such credits were considered to be covered wages.

³Includes payments (1) in 1947-52 and in 1967 and later, for costs of non-contributory wage credits for military service performed before 1957; (2) in 1972-83, for costs of deemed wage credits for military service performed after 1956; and (3) in 1969 and later, for costs of benefits to certain uninsured persons who attained age 72 before 1968.

⁴Net interest includes net profits or losses on marketable investments. Beginning in 1967, administrative expenses are charged currently to the trust funds on an estimated basis, with a final adjustment, including interest, made in the following fiscal year. The amounts of these interest adjustments are included in net interest. For years prior to 1967, a description of the method of accounting for administrative expenses is contained in the 1970 Annual Report. Beginning in October 1973, the figures shown include relatively small amounts of gifts to the funds.

Net interest for 1983-86 reflects payments from a borrowing trust fund to a lending trust fund for interest on amounts owed under the interfund borrowing provisions. During 1983-91, interest paid from the trust funds to the general fund of the Treasury on advance tax transfers is reflected. The amounts shown for 1985 and 1986 include interest adjustments of \$91.3 million and \$11.5 million, respectively, on unnegotiated checks issued before April 1985. Figures for 1995-2003 reflect theoretical interest paid from the DI Trust Fund to the general fund on theoretical debt borrowings.

⁵Beginning in 1967, includes payments for vocational rehabilitation services furnished to disabled persons receiving benefits because of their disabilities. Beginning in 1983, amounts are reduced by amount of reimbursement for un-negotiated benefit checks.

⁶Negative figures represent amounts repaid from the OASI Trust Fund to the HI Trust Fund.

⁷The DI Trust Fund would be depleted in fiscal year 1995 when assets would become insufficient to pay benefits on time. Thus, figures shown for the combined trust funds for the year of depletion and later are theoretical. See text for details.

Note: Totals do not necessarily equal the sums of rounded components.

TABLE II.F12.—OPERATIONS OF THE OASI AND DI TRUST FUNDS, COMBINED, DURING SELECTED CALENDAR YEARS 1960-93 AND ESTIMATED FUTURE OPERATIONS DURING CALENDAR YEARS 1994-2003, ON THE BASIS OF THE INTERMEDIATE SET OF ASSUMPTIONS

[In millions]

Calendar year	Income					Expenditures						
	Total	Net contributions ¹	Income from taxation of benefits	Payments from the general fund of the Treasury ²	Net interest ³	Total	Benefit payments ⁴	Administrative expenses	Transfers to Railroad Retirement program	Interfund borrowing transfers ⁵	Net increase in funds	Funds at end of period
Historical data:												
1960 ..	\$12,445	\$11,876	—	—	\$569	\$11,798	\$11,245	\$240	\$314	—	\$647	\$22,613
1965 ..	17,857	17,205	—	—	651	19,187	18,311	418	459	—	-1,331	19,841
1970 ..	36,993	34,737	—	\$465	1,791	33,108	31,884	635	589	—	3,886	38,068
1975 ..	67,640	64,259	—	515	2,866	69,184	67,022	1,152	1,010	—	-1,544	44,342
1980 ..	119,712	116,711	—	670	2,330	123,550	120,598	1,522	1,430	—	-3,838	26,453
1985 ..	203,540	194,149	\$3,430	3,220	2,741	190,628	186,075	2,200	2,353	-\$1,824	11,088	42,163
1986 ..	216,833	209,140	3,662	160	3,871	201,522	196,667	2,202	2,653	-10,613	4,698	46,861
1987 ..	231,039	222,425	3,221	55	5,338	209,093	204,106	2,373	2,614	—	21,946	68,807
1988 ..	263,469	251,814	3,445	43	8,168	222,514	217,149	2,513	2,851	—	40,955	109,762
1989 ..	289,448	274,189	2,534	34	12,692	236,242	230,882	2,427	2,934	—	53,206	162,968
1990 ..	315,443	296,070	4,992	-2,864	17,245	253,135	247,816	2,270	3,049	—	62,309	225,277
1991 ..	329,676	301,711	6,054	19	21,892	274,205	268,162	2,587	3,457	—	55,471	280,747
1992 ..	342,591	311,128	6,084	14	25,365	291,865	285,995	2,664	3,206	—	50,726	331,473
1993 ..	355,578	322,090	5,616	10	27,862	308,766	302,368	2,962	3,435	—	46,812	378,285
Estimates:												
1994 ..	377,391	340,706	6,309	7	30,368	324,815	318,250	2,949	3,616	—	52,576	430,861
1995 ⁶ ..	402,065	362,833	6,728	-731	33,235	342,459	335,688	3,146	3,625	—	59,607	490,468
1996 ⁶ ..	425,736	382,201	7,124	4	36,407	361,089	354,219	3,160	3,710	—	64,646	555,114
1997 ⁶ ..	449,743	402,234	7,559	3	39,946	380,621	373,557	3,250	3,813	—	69,121	624,235
1998 ⁶ ..	474,778	422,867	8,047	2	43,861	401,248	393,968	3,362	3,918	—	73,530	697,766
1999 ⁶ ..	502,201	445,554	8,568	2	48,078	423,552	416,064	3,488	4,000	—	78,649	776,415
2000 ⁶ ..	532,469	470,733	9,088	1	52,646	447,762	440,039	3,625	4,097	—	84,707	861,122
2001 ⁶ ..	564,911	497,518	9,642	1	57,749	474,227	466,179	3,771	4,277	—	90,683	951,805
2002 ⁶ ..	599,055	525,521	10,244	1	63,290	502,646	494,284	3,928	4,434	—	96,410	1,048,215
2003 ⁶ ..	635,972	555,811	10,946	1	69,214	532,884	524,194	4,095	4,595	—	103,088	1,151,303

See following page for footnotes.

¹Beginning in 1983, includes transfers from general fund of Treasury representing contributions that would have been paid on deemed wage credits for military service in 1957 and later, if such credits were considered to be covered wages.

²Includes payments (1) in 1947-51 and in 1966 and later, for costs of non-contributory wage credits for military service performed before 1957; (2) in 1971-82, for costs of deemed wage credits for military service performed after 1956; and (3) in 1968 and later, for costs of benefits to certain uninsured persons who attained age 72 before 1968.

³Net interest includes net profits or losses on marketable investments. Beginning in 1967, administrative expenses are charged currently to the trust funds on an estimated basis, with a final adjustment, including interest, made in the following fiscal year. The amounts of these interest adjustments are included in net interest. For years prior to 1967, a description of the method of accounting for administrative expenses is contained in the 1970 Annual Report. Beginning in October 1973, the figures shown include relatively small amounts of gifts to the funds. Net interest for 1983-86 reflects payments from a borrowing trust fund to a lending trust fund for interest on amounts owed under the interfund borrowing provisions.

During 1983-90, interest paid from the trust funds to the general fund of the Treasury on advance tax transfers is reflected. The amount shown for 1985 includes an interest adjustment of \$102.8 million on unnegotiated checks issued before April 1985. Figures for 1995-2003 reflect theoretical interest paid from the DI Trust Fund to the general fund on theoretical debt borrowings.

⁴Beginning in 1966, includes payments for vocational rehabilitation services furnished to disabled persons receiving benefits because of their disabilities. Beginning in 1983, amounts are reduced by amount of reimbursement for un-negotiated benefit checks.

⁵Negative figures represent amounts repaid from the OASI Trust Fund to the HI Trust Fund.

⁶The DI Trust Fund would be depleted in calendar year 1995 when assets would become insufficient to pay benefits on time. Thus, figures shown for the combined trust funds for the year of depletion and later are theoretical. See text for details.

Note: Totals do not necessarily equal the sums of rounded components.